prepared and submitted as part of the application process, including:

- (1) Justification for the modifications needed to meet the Life Safety Code or such other comparable fire and safety requirements;
- (2) Site description, site design, and site cost estimates;
- (3) Reasonable assurances with respect to receipt of a Life Safety Code capital grant under this part that:
- (i) The project being renovated is being, and will continue to be, used principally to furnish veterans the level of care for which VA awarded the applicant a grant under the Homeless Veterans Comprehensive Service Program Act of 1992; that not more than 25 percent of participants at any one time will be nonveterans; and that such services will meet the requirements of this part;
- (ii) The recipient will keep records and submit reports as VA may reasonably require, within the time frames required; and give VA, upon demand, access to the records upon which such information is based;
- (iii) The applicant has agreed to comply with the applicable requirements of this part and has demonstrated the capacity to do so;
- (iv) The applicant does not have an outstanding obligation to VA that is in arrears, and does not have an overdue or unsatisfactory response to an audit; and
- (v) The applicant is not in default, by failing to meet requirements for any previous assistance from VA.
- (c)(1) Cost-effectiveness. VA will award up to 300 points for cost-effectiveness with adjustments for high-cost areas. Applicants should address the following:
- (i) Estimated cost of the renovation and the type of work to be done;
- (ii) Estimated cost of any displacement of program participants or services due to the renovation; and
- (iii) Cost-benefit analysis addressing the benefit of renovation to the structure compared to moving program to another site.
- (2) Coordination. VA will award up to 200 points for a summary countersigned by the local VAMC Facilities Management of the discussions concerning ren-

ovation plans. The summaries should detail the following:

- (i) Urgency of the renovation;
- (ii) Adequacy of the renovation; and
- (iii) Opinion of feasibility and cost benefit.
- (d) The highest-ranked applications for the Life Safety Code capital grants for which funding is available will be selected to receive grants in accordance with their ranked order. The amount awarded will be 100 percent of the estimated total cost of the renovation as stated in the Life Safety Code application (this may include application costs, architectural fees, and engineering fees). VA will execute an agreement and make payments to the Life Safety Code capital grant recipient in accordance with §61.61 of this part and other applicable provisions of this part. In the event of a tie between applicants, VA will use the score from §61.20(c)(2) of this part to determine the ranking.
- (e) Applicants may apply for more than one Life Safety Code capital grant.
- (f) The authority to provide Life Safety Code grants expires on December 21, 2006.

(Authority: 38 U.S.C. 501, 2002, 2011, 2012, 2061, 2064, 7721 note)

§61.30 Per diem-general.

VA provides per diem funds to capital grant recipients or to entities eligible to receive a capital grant, which established a program of supportive housing or services after November 10, 1992 so they can assist homeless veterans by helping to offset operating costs to ensure the availability of supportive housing and service centers tasked with furnishing outreach, rehabilitative services, vocational counseling and training, and transitional housing assistance.

(Authority: 38 U.S.C. 501, 2002, 2011, 2012, 2061, 2064, 7721 note)

$\S 61.31$ Application for per diem.

(a) To apply for per diem, a capital grant recipient need only indicate the intent to receive per diem on the capital grant application or may separately request per diem by submitting

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to VA a written statement requesting per diem.

(b) To apply for per diem, a non-capital grant recipient must obtain from VA a non-capital grant application package and submit to VA the information called for in the application package within the time period established in the Notice of Fund Availability. The non-capital grant application package includes exhibits to be prepared and submitted as part of the application process, including:

(1) Justification for per diem;

- (2) Documentation on eligibility to receive per diem under this part;
- (3) Documentation on operating budget and cost sharing;
- (4) Documentation on supportive services committed to the project;
- (5) Comments or recommendations by appropriate State (and area wide) clearinghouses pursuant to E.O. 12372 (3 CFR, 1982 Comp., p. 197), if the applicant is a State; and
- (6) Reasonable assurances with respect to receipt of per diem under this part that:
- (i) The project will be used principally to furnish to veterans the level of care for which such application is made; that not more than 25 percent of participants at any one time will be nonveterans; and that such services will meet the requirements of this part;
- (ii) Adequate financial support will be available for the per diem program; and
- (iii) The recipient will keep records and submit reports as VA may reasonably require, within the time frames required; and give VA, upon demand, access to the records upon which such information is based.

(Authority: 38 U.S.C. 501, 2002, 2011, 2012, 2061, 2064, 7721 note)

§61.32 Ranking non-capital grant recipients for per diem.

(a) Applications from non-capital grant recipients in response to a Notice of Fund Availability will be reviewed and grouped in categories according to the funding priorities set forth in the NOFA, if any. Such applications will then be ranked within their respective funding category according to scores achieved only if the applicant scores at

least 500 cumulative points from paragraphs (b), (c), (d), (e), and (i) of §61.13 of this part. The highest-ranked applications for which funding is available, within highest priority funding category if applicable, will be conditionally selected for eligibility to receive per diem payments in accordance with their ranked order. If funding priorities have been established and funds are still available after selection of those applicants in the highest priority group VA will continue to conditionally select applicants in lower priority categories in accordance with the selection method set forth in this paragraph subject to available funding.

- (b) In the event of a tie between applicants, VA will use the score from §61.13(e) of this part to determine the ranking.
- (c) All applicants responding to a NOFA for "Per Diem Only" will be subject to the ranking method in paragraph (a) of this section.

NOTE TO §61.32: Capital grant recipients are not required to be ranked, however, continuation of per diem payments to capital grant recipients will be subject to limitations set forth in §61.33 of this part.

(Authority: 38 U.S.C. 501, 2002, 2011, 2012, 2061, 2064, 7721 note)

§61.33 Payment of per diem.

- (a) A capital grant recipient meeting the application requirements as outlined in §61.31(a) of this part is eligible for per diem subject to a site inspection establishing that the applicant continues to meet the requirements for a capital grant as outlined in the following sections, §§61.62, 61.64, 61.65, 61.66, 61.80, 61.81, and 61.82.
- (b) For non-capital grant recipients who apply for per diem under this part, funds will be allocated to the highest-ranked applicants in descending order until funds are expended. Payments will be contingent upon verification of application information based on an initial site inspection and other inspections pursuant to §61.66 of this part and will be made for 3 years or as otherwise specified in the Notice of Fund Availability. Non-capital grant recipients may apply again thereafter only in response to a Notice of Fund Availability.